

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LT. GOVERNOR



WENDY GADY
EXECUTIVE DIRECTOR

STATE OF HAWAII
AGRIBUSINESS DEVELOPMENT CORPORATION
HUI HO'OU LU AINA MAHIAI

TESTIMONY OF WENDY L. GADY
EXECUTIVE DIRECTOR
AGRIBUSINESS DEVELOPMENT CORPORATION

BEFORE THE HOUSE COMMITTEE ON WATER AND LAND
February 6, 2025
9:00 a.m.
Conference Room 411 & Videoconference

HOUSE BILL NO. 781 HD1
RELATING TO THE WAIAHOLE WATER SYSTEM

Chair Hashem, Vice Chair Lamosao, and Members of the Committee:

Thank you for the opportunity to testify in **support** of House Bill No. 781 which appropriates funds to the Agribusiness Development Corporation to fully pay off the bond debt service on the Waiahole water system and repair the adit 8 tunnel. This measure is critical for ensuring the continued operation and maintenance of a vital water infrastructure system that supports Hawaii's agricultural industry and food security efforts.

The Waiahole Water System plays an essential role in supporting agriculture on O'ahu, particularly in Central and Leeward regions where water availability is a significant constraint. By delivering a reliable source of irrigation water, the system sustains local farming operations, promotes diversified agriculture, and contributes to Hawaii's efforts to achieve food security and reduce dependence on imported goods.

To maximize the impact of the suggested appropriation, we recommend on utilizing the following:

- **Regular Maintenance Schedules:** Establish a comprehensive maintenance and inspection schedule to ensure the system remains operational and avoids future disruptions.
- **Stakeholder Collaboration:** Engage with farmers, community organizations, and water resource experts to prioritize repairs and upgrades that address the most urgent needs.
- **Transparent Reporting:** Require periodic reporting on the use of funds and the progress of repairs to ensure accountability and public trust in the management of the system.
- **Explore Future Upgrades:** Consider incorporating advanced water management technologies and sustainability measures to further enhance the efficiency and environmental benefits of the system.

We support this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget. House Bill 781 is a critical investment in Hawai'i's agricultural infrastructure and future food security. By funding bond debt service and necessary tunnel repairs for the Waiahole water system, this measure will sustain the essential water resources that our farmers and communities rely upon. Thank you for your consideration of our testimony.



Email: communications@ulupono.com

HOUSE COMMITTEE ON WATER AND LAND
Thursday, February 6, 2025 — 9:00 a.m.

Ulupono Initiative supports HB 781 HD1, Relating to the Waiahole Water System.

Dear Chair Hashem and Members of the Committee:

My name is Mariah Yoshizu, and I am the Government Affairs Associate at Ulupono Initiative. We are a Hawai'i-focused impact investment firm that strives to improve the quality of life throughout the islands by helping our communities become more resilient and self-sufficient through locally produced food, renewable energy and clean transportation choices, and better management of freshwater resources.

Ulupono supports HB 781 HD1, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

The Waiahole Water System is a cornerstone of agricultural sustainability on O'ahu, particularly in the Central and Leeward regions where water accessibility presents significant challenges. Specifically, this measure merits support for several compelling reasons:

- The system provides irreplaceable water security for agricultural operations. Without reliable irrigation water, our farming communities cannot sustain their operations or plan for future growth.
- The requested funding addresses critical infrastructure needs, particularly the repair of the adit 8 tunnel, through which all water from the Waiahole Water System must pass. This maintenance will prevent system deterioration and avoid more costly repairs in the future.
- Funding supports broader economic and environmental goals. The system's reliability directly impacts the livelihoods of local farmers and agricultural workers, contributing to rural economic vitality, and promotes Hawai'i's environmental stewardship priorities and commitment to sustainable resource management.
- The Waiahole Water System plays a crucial role in advancing Hawai'i's food security. As we work to reduce our dependence on imported food, maintaining reliable agricultural water infrastructure enables increased local food production capacity.

This worthy investment proposed in this bill represents a critical commitment to ensuring that the Waiahole Water System continues to serve our farming communities effectively while supporting our broader goals for agricultural sustainability and food security.

Thank you for the opportunity to testify.

Respectfully,

Mariah Yoshizu
Government Affairs Associate

Investing in a Sustainable Hawai'i



Hawaii Agriculture Research Center

*94-340 Kunia Road, Waipahu 96797
Ph: 808-621-1350/Fax: 808-621-1359*

TESTIMONY BEFORE THE HOUSE COMMITTEE ON WATER AND LAND

HOUSE BILL NO. 781

--RELATING TO THE WAIAHOLE WATER SYSTEM

Thursday February 6, 2025

Chair Hashem, Vice Chair Lamosao and Members of the Committee:

My name is Robbie Melton. I am Executive Director of the Hawaii Agriculture Research Center (HARC). I am testifying today on behalf of the center and our research and support staff.

HARC strongly supports House Bill 781 relating to the Waiahole water system.

HARC is a non-profit organization whose mission is to support agriculture in Hawaii through research and infrastructure preservation. Its experiment station is located at the urban/agricultural boundary in the Kunia agricultural area, essentially the gateway to this agricultural district. In the sugar era it produced some of the highest yields on record. Today we are a thriving research organization developing new crop varieties with traits like disease resistance and higher productivity. We focus on crops that will strengthen Hawaii's agricultural sustainability. Educating producers on new varieties and farming techniques is a cornerstone of HARC. Currently we conduct over 40 research projects at Kunia Station, and support 8 producers onsite.

The only source of agricultural water for HARC is the Waiahole Irrigation System. The Board of Water Supply limited the use of potable water to domestic use on this parcel and where available to other agricultural operations in the area. Without water there can be no viable agricultural activity on this land as it receives very little rainfall.

As a user of this system, we feel it is appropriate and of value to the state to pay off this burdensome debt on the farmers in this region. The costs and savings of this action are well reported in the body of this proposed bill. HARC is a non-profit organization and does not have the financial means to support an alternative water system.

Paying off this debt as proposed in this bill will support local agricultural production and ease the financial burden of Hawaii's farmers.

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.

KUNIA VILLAGE TITLE HOLDING CORPORATION
PO BOX 100
KUNIA, HI 96759
808 228 0272

TESTIMONY BEFORE THE HOUSE COMMITTEE
ON
WATER AND LAND

HOUSE BILL 781HD1

January 29, 2025

Chair Hashem and Members of the Committee:

My name is Stephanie Whalen. I am President of the Kunia Village Title Holding Corporation (KVTHC). I am testifying today on behalf of this entity. It consists of an agricultural housing and an agricultural business community. There are over 600 men, women and children residing here and/ or working in the 10 agricultural businesses or non-profits companies supporting agriculture. These are the people who help produce fresh fruits and vegetables for your table.

KVTHC strongly supports House Bill 781HD1 Relating to the Waiahole Water System.

This bill provides very thorough information about the system, its uniqueness and value to the farmers and the overall community. Such a system would certainly cost many millions more dollars to construct today. It also appears to be one of the more **costly irrigation systems for farmers**. The cost is approaching that of the electrically pumped system in this area. Unfortunately, the water pumped from the aquifer in this area has been contaminated by various parties and its continuing use for irrigation is uncertain.

The users have already paid off an amount equivalent to the purchase price \$8.5M plus an additional amount of interest. Continuing this bond to its ending date will amount to another approximately \$5M.

Consequently, the users of this system feel it is appropriate and of value to the state to pay off this burdensome cost on the farmers in this region. As with all businesses farming costs are ultimately borne by the ultimate users. In this case those that eat here: you, me, everyone in Hawaii. AND, we are all aware of the significant increase in imported foods recently whether canned, packaged or fresh.

Paying off this debt as proposed in this bill for local farmers who have already paid an amount that more than covers the principal is certainly an action worth your most serious attention.

It is also important to continue the required maintenance on this system which is the repair and upgrade of Adit 8, an integral part of the system.

Thank you for the opportunity to testify in support of Hawaii's agricultural needs.



February 6, 2025

House Committee on Water & Land

Time: 9:00 am

Place: Conference Room 411

Testimony on HB 781, HD 1

Relating to the Waiahole Water System

Position: Support



Chair Hashem, Vice Chair Lamosao and committee members:

My name is Alan Takemoto, Government Affairs manager for Bayer in Hawaii.

We are in support of HB 781, HD 1 which appropriates funds for bond debt service and tunnel repair.

The Waiahole Water System (WWS) is one of the most important agricultural infrastructure the State has invested in on Oahu. The WWS covers over 5,000 acres of prime and productive agricultural lands that serves over a dozen farms in central Oahu.

The WWS is an aging system that was built in the early 1900's. It is a unique irrigation system that moves water by gravity through several siphons over 26 miles from the Koolau mountains to the central plains of Oahu. The State's purchase of the system in 1999 was one of the most important investments that assures farming will continue on the central plains of Oahu.

Thank you for allowing us to testify in support of this measure.

Bayer U.S.
94-520 Kunia Road
P.O. Box 200
Kunia, HI 96759

LARRY JEFTS FARMS, LLC
PO BOX 27
KUNIA, HAWAII 96759
(808) 688-2892

HB781hd1, Relating to The Waiahole Water System
House WAL Hearing – 9:00 AM
Thursday, February 6, 2025

Testimony By: Larry Jeffs
Position: Support

Chair Hashem, Vice Chair Lamosao, and Members of the House WAL Committee:

I am Larry Jeffs, owner and operator of Larry Jeffs Farms, LLC. We have more than 42 years of Hawaii farm experience on Molokai and Oahu. Our family farms grow about 1 million pounds weekly of import replacement produce. I am a volunteer director, serving as Chair of the West Oahu Soil and Water Conservation District (SWCD). I have also served as an officer of the Hawaii Farm Bureau for many years.

Consistent access to affordable water is vital; water is the lifeblood of my farms. Without such access, there would be no farms.

During the days of plantation agriculture, plantations repaired and maintained irrigation systems, not only for their use, but these systems were often beneficial to surrounding farmers and, at times, residential areas. When plantations closed, irrigation systems fell into disrepair and still need repair. Repairs to the adit 8 tunnel are at a critical point of deferred maintenance. All of the Waiahole water must pass through the adit 8 tunnel.

Funding to pay off the bond debt and the adit 8 repair is a high priority for Central and Leeward Oahu agriculture.

Your favorable consideration of HB781hd1 is appreciated. Thank you for the opportunity to testify on this bill.



February 4, 2025

Representative Mark J. Hashem, Chair
Representative Rachele F. Lamosao, Vice Chair
House Committee on Water & Land

**Support of HB 781, H.D.1, Relating to the Waiahole Water System
(Appropriates funds for the Waiahole Water System for bond debt service
and tunnel repair. Effective 7/1/3000.)**

**Thursday, February 6, 2025, at 9:00 a.m.
State Capitol, Conference Room 411, Via Videoconference**

The Land Use Research Foundation of Hawaii (LURF) is a private, non-profit research and trade association whose members include major Hawaii landowners, developers, and utility companies. LURF's mission is to advocate for reasonable, rational, and equitable land use planning, legislation and regulations that encourage well-planned economic growth and development, while safeguarding Hawaii's significant natural and cultural resources, and public health and safety.

LURF appreciates the opportunity to express its **support of HB 781, H.D.1**, and of the various agricultural stakeholder groups who defend the goals of viable agricultural operations and the conservation and protection of agriculture, including important agricultural lands in Hawaii.

HB 781, H.D.1. The purpose of this bill is to provide additional funding for improvements to the Waiahole irrigation system.

LURF's Position. Since large amounts of prime agricultural lands and irrigation systems became available for conversion to diversified agriculture due to the plantation closures in the 1990s, the State has had the opportunity to strengthen and expand Hawaii's diversified agriculture industry. Agricultural lands, however, require significant quantities of water to support and maintain productivity. To ensure that local agricultural producers may continue to receive a dependable supply of water for crops, as well as research and development operations, sufficient funding is necessary to improve, repair and maintain Hawaii's irrigation systems.

The Waiahole irrigation system, one of Hawaii's most important irrigation systems, is over a hundred years old, 23.5 miles long, and services thousands of acres of productive agricultural lands in central Oahu. The system is one of many irrigation systems throughout the State which are vital to Hawaii's agricultural industry.

Local farmers and ranchers who rely on irrigation systems to service their agricultural lands consider such resources critical to conduct their agricultural operations and to sustain their businesses. These agricultural stakeholders confirm that HB 781, H.D.1 will greatly assist by providing funding necessary to fully pay off the bond debt service which was incurred by the agribusiness development corporation to procure and make improvements to the Waiahole Water System, and to now also make critical repairs to the System's adit 8 tunnel. Such action is vital to support and promote the long-term betterment of the State's agricultural industry and to work toward the expansion of diversified agriculture; promote the agricultural self-sufficiency of the State; and to protect water as an important resource.

For the above reasons, LURF **supports HB 781, H.D.1**, and respectfully urges your favorable consideration to assist with this invaluable resource.

Thank you for the opportunity to provide comments in support of this matter.



P.O. Box 253, Kunia, Hawai'i 96759
Phone: (808) 848-2074; Fax: (808) 848-1921
e-mail info@hfbf.org; www.hfbf.org

January 29, 2025

HEARING BEFORE THE
HOUSE COMMITTEE ON AGRICULTURE & FOOD SYSTEMS

TESTIMONY ON HB 781
RELATING TO THE WAIAHOLE WATER SYSTEM

Conference Room 325 & Videoconference
9:30 AM

Aloha Chair Kahaloa, Vice-Chair Kusch, and Members of the Committee:

I am Brian Miyamoto, Executive Director of the Hawai'i Farm Bureau (HFB). Organized since 1948, the HFB is comprised of 1,800 farm family members statewide and serves as Hawai'i's voice of agriculture to protect, advocate, and advance the social, economic, and educational interests of our diverse agricultural community.

The Hawai'i Farm Bureau supports HB 781, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

Since the demise of plantation operations across the islands, we have seen the erosion of irrigation systems. Ditches that carried water fell into disrepair, with significant leaks in the system and cracks in tunnels creating enough losses that there is no longer a significant flow of water. The Legislature continues to advocate for increased self-sufficiency and sustainability. Agriculture must play a key role in the process, and for there to be agriculture, water is essential.

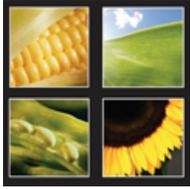
The Waiahole Irrigation System was built about 100 years ago and continues to be a critical infrastructure system that provides water to thousands of acres of prime agricultural lands in central O'ahu. The central plains of O'ahu are one of the most highly productive and diversified agricultural regions in the State.

The State Agribusiness Development Corporation (ADC), recognizing the system's importance to the State's future sustainability, purchased the Waiahole Irrigation in 1989. The Waiahole Water System tunnels are aging and require critical repairs to ensure structural integrity and uninterrupted water delivery. Delayed maintenance risks costly failures that could disrupt water availability for agriculture. Addressing infrastructure needs proactively avoids emergency situations and escalated repair costs, ensuring the efficient and cost-effective management of state resources.

Supporting the bond debt service for the Waiahole Water System ensures its financial sustainability and reinforces the state's commitment to maintaining this essential resource for agricultural use.

HB 781 is a necessary investment in Hawai'i's agricultural infrastructure, supporting agriculture and sustainable water resource management. HFB urges the committee to pass this measure to ensure the continued operation and reliability of the Waiahole Water System, a cornerstone of O'ahu's agricultural success.

Thank you for the opportunity to testify on this important matter.



HAWAII CROP IMPROVEMENT ASSOCIATION

HB781 HD1 – In Support
Relating to the Waiahole Water System

House Committee on Water & Land

Date: Thursday, February 6, 2025
Time: 9:00 AM
Place: Conference Room 411

Aloha Chair Hashem, Vice Chair Lamosao, and Members of the Committee:

The Hawaii Crop Improvement Association (HCIA) appreciates the opportunity to provide testimony **in support of HB781 HD1**, which appropriates funds for the Waiahole Water System for bond debt service and tunnel repair.

The Waiahole Irrigation System (WIS) is one of the most important infrastructure investments on Oahu. A product of the sugar plantation era, the system was built in the early 1900s, moving water by gravity through several siphons over 26 miles from the Ko‘olau mountains to the central plains of Oahu. The WIS provides water to over 5,000 acres of productive agricultural lands on central Oahu, serving about a dozen agricultural users.

Due to its age, the WIS has and will need ongoing capital improvement and maintenance. This bill would retire existing debts, allowing the Agribusiness Development Corporation to focus on its users and help keep Oahu’s agriculture industry viable into the future. It would also address much needed repairs while maximizing the efficiency of the current system.

Mahalo for the opportunity to testify on this measure.

The Hawaii Crop Improvement Association is a Hawaii-based non-profit organization that promotes modern agriculture to help farmers and communities succeed. Through education, collaboration, and advocacy, we work to ensure a safe and sustainable food supply, support responsible farming practices, and build a healthy economy.



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Vincent Kimura
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Kauai

Aloha Chair Hashem, Vice Chair Lamosao, and Members of the House Water & Land Committee,

The Hawaii Farmers Union is a 501(c)(5) agricultural advocacy nonprofit representing a network of over 2,500 family farmers and their supporters across the Hawaiian Islands. **HFU supports HB781.**

The Waiahole Water System is an essential piece of Hawaii's agricultural infrastructure, delivering irrigation water to approximately 5,600 acres of farmland in Central and Leeward Oahu. Without this system, many of the state's food-producing farms and ranches would struggle to remain viable. However, long-overdue maintenance and the burden of outstanding debt have placed unnecessary financial and operational strain on farmers who depend on this water.

The adit 8 tunnel is a crucial component of the Waiahole Water System, as all water moving through the system must pass through it. Years of deferred maintenance have resulted in structural inefficiencies and likely water losses that not only reduce the volume available for agricultural use but also limit the return of excess water to Windward streams and farmers.

Investing in repairs will help to:

Improve Water Flow Efficiency: Fixing leaks, blockages, or deteriorated infrastructure in adit 8 can reduce transmission losses, allowing a greater percentage of diverted water to reach its intended destinations in Central and Leeward Oahu while maintaining natural system outflows

Support the Restoration of Windward Streams: By reducing unnecessary losses in the system, repaired infrastructure can help increase the volume of water available to return to Windward watersheds. This can benefit Windward farmers who rely on streamflow for irrigation, as well as native ecosystems dependent on consistent freshwater input.

Providing direct economic relief to farmers by allowing them to reinvest in their operations rather than making excessive payments on outdated debt, this measure also lowers costs for consumers—since irrigation expenses are passed down in food prices—and helps keep land in active agricultural production by reducing financial pressures that could otherwise lead to farm closures or land conversion.

Mahalo for the opportunity to testify.

Hunter Heavilin
Advocacy Director
Hawaii Farmers Union

HB-781-HD-1

Submitted on: 2/5/2025 7:09:06 AM

Testimony for WAL on 2/6/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Randy Cabral	Individual	Support	Written Testimony Only

Comments:

Strong support

HB-781-HD-1

Submitted on: 2/5/2025 7:51:12 AM

Testimony for WAL on 2/6/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
J Ashman	Individual	Support	Written Testimony Only

Comments:

Please pass this important measure.

Thank you.

HB-781-HD-1

Submitted on: 2/5/2025 1:13:27 PM

Testimony for WAL on 2/6/2025 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Ashton C Awaya	Individual	Oppose	Written Testimony Only

Comments:

To: Representative Mark J. Hashem, Chair

Representative Rachele F. Lamosao

Members of the House Committee on Water and Land

From: Ashton Awaya

Subject: Opposition of House Bill 534, Relating to the Waihole Water System.

Aloha! My name is Ashton and I am a student at Kalaheo High School. I strongly oppose HB 781 and would like to ask you to vote no on this bill. The implementation of using funds to repair 8 tunnels of the Waihole Water system as the return on investment is not worth the money spent for repairs and steals many gallons of water from many local windward farmers to sustain their crops.

As a student at Kalaheo High School, we must take a class called Modern History of Hawai'i where we address the history of Hawai'i and relate it to modern problems. One of the topics we have covered was the Waihole Water System. The Waihole water system is a man-made irrigation system that was built during the Plantation era to redirect water from the Windward side to the Leeward side. This irrigation system was used to grow water-intensive crops such as sugar cane and also grow pineapple. The consequences of this 26-mile irrigation have stolen billions of gallons from windward farmers and have even resulted in drying up many local streams and diminished many native species such as the 'O'opu that use these freshwater streams to reproduce. With the sugarcane plantations being closed ever since 2016, the need for millions of gallons of water on the Leeward side is unnecessary. Many Local farmers from the windward side testified that they needed that

water to sustain their crops and livestock. Cutting off a natural flow of water needed to raise fresh produce for markets and retail stores, should not be supported.

Although the Waihole water system has industrialized the Leeward side generating lots of revenue and creating many job opportunities for the community, the entirety of the Waihole system is not worth the money to repair. Since 1999 when ADC (Agriculture Development Corporation) purchased the Waihole Irrigation system, have charged a user fee of \$0.10 per 1000 gallons to pay of their debt since their acquisition. The Water system is over 100 years old and there are new private irrigation systems that cost cheaper and are more efficient at pumping the water needed to the Leeward side. These private water systems can run anywhere up to five or eight times as much as water systems run by the state. The system is outright outdated and should be discontinued as a water source as a whole as the return on investment is not worth the money spent to repairing these tunnels in an area that doesn't need to use 25 million gallons of water to grow crops that are irrelevant in today's society.

I hereby stand with my opinion that HB 781 should not be passed as it is a waste of money and a disservice to farmers based on the windward side. A law that encourages a system that is out of date and a system that has been the cause of endangering many native aquatic species should not be taken lightly and decisions should be made with the utmost consideration. If we let this bill pass, major consequences will follow for future generations as we waste a vital resource. Please vote no on this bill. Thank you for your consideration.